GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5105
ANSWERED ON:11.05.2007
LOAN TO SENIOR CITIZENS
Singh Shri Chandra Bhushan

Will the Minister of FINANCE be pleased to state:

(a) whether senior citizen can avail loan up to 60% of the approved value of their property from National Housing Bank; and

(b) if so, the details thereof?

Answer

(MINISTER OF STATE IN THE MINISTRY OF FINANCE) (SHRI PAWAN KUMAR BANSAL)

(a) & (b): National Housing Bank (NHB) has formulated a scheme called Reverse Mortgage Loan (RML) for Senior Citizens (62 years and above) who own self occupied houses. The scheme is proposed to be implemented through Primary Lending Institutions (PLIs), viz. Scheduled Banks and Housing Finance Companies registered with NHB. Refinance would be provided by NHB, if desired by the PLIs. The loan amount under RML will depend on present market value of residential properties, as assessed by the PLIs, prevalent interest rate and other appraisal norms applicable. In terms of draft operational guidelines, RML upto 60% of the approved value of the property would be possible under certain circumstances at the discretion of the PLI. The draft guidelines are available at NHB`s web site www.nhb.org.in